

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Agreement"), made this 10th day of Aug., 2010, by and between LAKEFOREST ASSOCIATES LLC, a Delaware limited liability company, FEIN 31-1633673, hereinafter called "Landlord," and MONTGOMERY COUNTY MARYLAND, a body corporate and politic and a political subdivision of the State of Maryland, hereinafter called "County", collectively the "Parties".

ARTICLE I

GRANT AND TERM

SECTION 1.01, LEASED PREMISES

In consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the County to be observed and performed, the Landlord demises and leases to the County, and County rents from Landlord, those certain premises designated as **D201** (the "Leased Premises") containing an area of approximately **3,077 square feet** located in the shopping center known as "**Lakeforest Mall**", situated in the City of Gaithersburg, County of Montgomery, State of Maryland (the "Shopping Center"). The Leased Premises is shown on Exhibit "A" attached hereto and made a part hereof. Landlord to supply six (6) dedicated parking spaces to County. Said parking spaces shall be selected by Landlord and signs for the same shall be installed and maintained by Landlord.

SECTION 1.02, USE OF ADDITIONAL AREAS

The use and occupancy by the County of the Leased Premises shall include the non-exclusive use of those areas of the Shopping Center which are from time to time made available by Landlord for use by the tenants of the Shopping Center and/or by the public, such as, by way of illustration but not limitation, parking areas, driveways, truckways, delivery passages, common truck loading areas, walkways, planted areas, landscaped areas, community rooms, and restrooms which are not leased to or reserved for individual tenants and other facilities as may be designated from time to time by the Landlord (the "Common Areas"), subject, however, to the terms and conditions of this Agreement and to reasonable rules and regulations for the use thereof as prescribed from time to time by the Landlord of which the County has written notice of such rules. County shall not interfere with Landlord's or other tenants' rights to use any part of the Common Areas.

SECTION 1.03, COMMENCEMENT DATE; RENT COMMENCEMENT, TERM

This Lease shall commence on the earlier of (i) the date the County opens for business, or (ii) the Required Completion Date (as hereinafter defined) ("Commencement Date"). The Required Completion Date shall be **one hundred and twenty (120) days** following the delivery of the Leased Premises. The "Term" of this Lease shall be for a period of **two (2) years** following the Commencement Date and will end on the last day of the second (2nd) consecutive full lease year as said term "lease year" is hereinafter defined, unless sooner terminated as herein provided except that in

the event the Commencement Date is a date other than the first day of a calendar month, said Lease Term shall extend for the number of days remaining in the calendar month following the Commencement Date. Landlord estimates delivery of the Leased Premises to County on or about September 1, 2010 ("the Estimated Delivery Date").

SECTION 1.04, LEASE YEAR DEFINED

The term "Lease Year" as used herein shall mean a period of twelve (12) consecutive full calendar months. The first Lease Year shall commence on the Commencement Date. Each succeeding Lease Year shall commence upon the anniversary date of the first Lease Year.

SECTION 1.05, FORCE MAJEURE

If either Landlord or the County shall fail to timely perform any of its obligations under this Lease (excluding the County's financial obligations, i.e. payment of Minimum Rent or Additional Rent) as a result of Force Majeure (as hereinafter defined), such party shall not be liable for loss or damage for such failure and the other party shall not be released from any of its obligations under this Lease. If either Landlord or County is delayed or prevented from performing any of its obligations as a result of Force Majeure, the period of such delay or prevention shall be added to the time herein provided for the performance of any such obligation.

Force Majeure shall mean any period of delay which arises from or through Acts of God, strikes, lockouts, or labor difficulty; explosion, sabotage, accident, riot, or civil commotion, insurrection, act of war, fire or other casualty, restrictive governmental laws or regulations, and environmental remediation work whether ordered by any governmental body or voluntarily initiated or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under this Lease,

ARTICLE II

RENT

SECTION 2.01, MINIMUM RENT

Commencing on Commencement Date, the County agrees to pay Landlord at the remittance address set forth in Section 26.05 hereof, or at such other place designated by Landlord, without any prior demand therefor and without any deduction or set-off whatsoever, fixed minimum rent equal to the following:

(a) The annual sum of Forty-Three Thousand and Seventy-Eight and 00/100 Dollars (\$43,078.00) payable, in advance, on the first day of each calendar month during the first Lease Year of the Term, payable in equal and consecutive monthly installments of Three Thousand Five Hundred and Eighty Nine and 83/100 Dollars (\$3,589.83); and

(b) The annual sum of Forty-Four Thousand Three Hundred and Seventy and 34/100 Dollars (\$44,370.34) payable, in advance, on the first day of each calendar month during the second

Lease Year of the Term payable in equal and consecutive monthly installments of Three Thousand Six Hundred and Ninety-Seven and 53/100 Dollars (\$3,697.53).

SECTION 2.02, TAXES

The County shall, during the term of this Lease and any extensions thereof, as additional rent, pay proportionate share of all calendar year or fiscal year Taxes, such proportionate share to be prorated for periods at the beginning and end of the Lease Term which do not constitute full calendar months or years. As used in this Section 2.02 the term "Taxes" shall mean and include all property taxes, both real and personal, public and governmental charges and assessments, and all other taxes which Landlord is obligated to pay with respect to the development of the Shopping Center, including all extraordinary or special assessments or assessments against any of Landlord's personal property now or hereafter located in the Shopping Center, all annual benefit charges assessed by the Washington Suburban Sanitary Commission or other special taxing districts, service payments in lieu of real estate taxes, all costs and expenses including, but not limited to consulting, appraisal and attorneys' fees incurred by Landlord in researching, reviewing, evaluating, contesting, appealing or negotiating with public authorities (Landlord having the sole authority to conduct such a contest or enter into such negotiations) as to any of the same and all sewer, water and other utility taxes and impositions, but shall not include taxes on County's machinery, equipment, inventory or other personal property or assets of County, County agreeing to pay all taxes upon or attributable to such excluded property without apportionment. Taxes shall not include interest and penalties due on delinquent Taxes, but shall include interest on Taxes withheld by virtue of Landlord making partial payment under protest in the event such partial payment is permitted in connection with a tax appeal proceeding.

The County agrees to pay to the Landlord, on account of such pro rata share of all real estate taxes, the initial sum estimated to be **Five and 27/100 Dollars (\$5.27) annually per square foot**, adjusted annually, as County's contribution toward the real estate taxes for the land and improvements comprising the Shopping Center; provided however, that if at the end of each year during the term hereof, the total of the monthly charges paid by the County during such year shall be less than the County's share of the final actual real estate taxes for such year, the County shall pay to the Landlord the excess within twenty (20) days after written demand for same by Landlord.

Unless separately assessed, the real estate taxes attributable to the Leased Premises for each year shall be the amount which is the result of multiplying (a) the real estate taxes assessed against the entire Shopping Center for such year by (b) a fraction whose numerator is the number of gross square feet area of the Leased Premises and whose denominator is the number of square feet area of the Shopping Center, exclusive of Common Areas. It is understood that the County's pro rata monthly payment may be adjusted from time to time as bills are received from the taxing authority. The floor area of (i) Major Tenant spaces (a single tenant occupying at least 20,000 contiguous square feet of floor area) whether such spaces are vacant or occupied, (ii) any tenant in a free standing premises, (iii) theaters, (iv) restaurants, (v) kiosks, (vi) storage spaces, (vii) any tenant with no frontage on the enclosed mall of the Center, (viii) any premises leased for the operation of a post-office type or packaging or delivery facility or other public/consumer-service or governmental facility, and (ix) Common Areas (including areas utilized for the operation of a skating rink or other recreational area, child care center, community room, library, project offices, and related rooms), as hereinafter defined, shall not be included in the Rented Floor Area or rentable floor area, and any contributions to Taxes

received by Landlord from such tenant's (less any tax payments recaptured against any other rents or payments due Landlord) shall be deducted from Taxes prior to the calculating of County's proportionate share. Areas shall not be considered occupied to the extent that Landlord shall not be receiving full proportionate share contributions for the same.

Landlord shall, from time to time following Tenant's request therefor, provide Tenant with reasonably detailed documentation, including, but not limited to, actual bills for Taxes from which Taxes and Tenant's proportionate share of Taxes can be determined. In the event Taxes are reduced after Tenant has paid its proportionate share thereof, Landlord shall refund to Tenant its proportionate share of such reduction, promptly after receiving a refund from the taxing authority.

SECTION 2.03, ADDITIONAL RENT

The County shall pay as additional rent any money required to be paid pursuant to Sections 2.02, 2.04, 12.01, 12.02 and 14.01, and all other sums of money or charges required to be paid by County under this Lease, whether or not the same be designated "additional rent." If such amounts or charges are not paid at the time provided in this Lease, they shall nevertheless, if not paid when due, be collectible as additional rent with the next installment of rent thereafter falling due hereunder, but nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable hereunder, or limit any other remedy of the Landlord.

SECTION 2.04, PAST DUE RENT AND ADDITIONAL RENT

If County shall fail to pay, when the same is due and payable, any rent or any additional rent, or amounts or charges of the character described in Section 2.03 hereof, such unpaid amounts shall bear interest from the due date thereof to the date of payment at the rate of 1.5 percent (1.5%) per month plus a late charge of five percent (5%) of the monthly Minimum Rent payment which is not received by Landlord prior to the tenth (10th) day of the month for which such payment is due.

Notwithstanding the foregoing, such past due rent, additional rent or other amounts or charges shall not be imposed the first time it would otherwise be due during any twelve (12) month period, provided County shall make such payment within ten (10) days upon receiving notice from Landlord that such payment has not been timely received.

ARTICLE III

PERCENTAGE RENT

[INTENTIONALLY OMITTED]

ARTICLE IV

AUDIT

[INTENTIONALLY OMITTED]

ARTICLE V

CONSTRUCTION, ALTERATION, RELOCATION AND REFINANCING OF IMPROVEMENTS AND ADDITIONS THERETO

SECTION 5.01, LANDLORD'S OBLIGATION

Landlord shall deliver the Leased Premises to County in "as is" condition, on the commencement of this Lease, except that Landlord warrants that the HVAC, and plumbing systems serving the Leased Premises shall be in good working order on the delivery of Leased Premises. Landlord shall have no obligation, responsibility or liability to County to construct, or to contribute to the costs of construction, of any improvements or alterations to be made by County in connection with the County's permitted use or the County's occupancy and use of the Leased Premises.

SECTION 5.02, PARKING FACILITIES

Landlord has constructed upon the Shopping Center site at its own cost access roads, footways and parking lots or facilities as generally shown on Exhibit "A". Landlord reserves the right to make any changes at anytime, all in its sole discretion, provided that County's ability to conduct its business within the Leased Premises shall not be substantially or materially impaired so as to prevent County's ability to operate for its permitted use in the Leased Premises.

SECTION 5.03, CHANGES AND ADDITIONS TO BUILDING

Landlord hereby reserves the right at any time to make alterations or additions to and to build additional stories on the building in which the Leased Premises are contained and to build adjoining the same. Landlord also reserves the right to construct other buildings or improvements in the Shopping Center from time to time and to make alterations thereof, or additions thereto, and to build additional stories on any such building or buildings; to do and perform such other acts in and to the Common Areas as Landlord in its sole discretion, reasonably applied, deems advisable for the use thereof by tenants and their customers; and to build adjoining same and to increase or decrease the size of any parking facilities, provided, however, that none of the foregoing shall materially adversely interfere with access to the Leased Premises from the proximate portion of the common areas or reduce the parking facilities below the minimum parking required by applicable codes.

SECTION 5.04, FINANCING [INTENTIONALLY OMITTED]

SECTION 5.05, RIGHT TO RELOCATE

The purpose of the site plan attached hereto as Exhibit A is to show the approximate location of the Leased Premises. Landlord reserves the right at any time to relocate the various buildings, automobile parking areas, and other common areas shown on said site plan.

ARTICLE VI

CONDUCT OF BUSINESS BY COUNTY

SECTION 6.01, USE OF LEASED PREMISES

The County shall use the Leased Premises solely for the purpose of a library and its related uses as a library in Montgomery County. County will not use or permit, or suffer the use of, the Leased Premises for any other business or purpose. The Premises shall not be used, whether by County or any other party, for any of the following activities: (a) operation of an automated teller machine (ATM) or any other machine or device performing any of the functions typically performed by ATM's; (b) operation of one or more antennae or other transmission device for the purpose of distributing wireless frequency into the Common Areas of the Center; (c) display of signs, billboards or other advertising media not directly related to the conduct of County's primary business; (d) operation of vending machines of any kind or character, unless (i) access to such machines is strictly limited to County's employees only, and (ii) such machines are not visible to County's customers or the public; or (e) any other activity that is not directly or integrally related to the conduct of County's primary business activity or activities as described herein.

SECTION 6.02, OPERATION OF BUSINESS

The County shall operate all of the Leased Premises during the entire term of this Lease with due diligence and efficiency unless prevented from doing so by causes beyond County's control. The County shall conduct its business in the Leased Premises as follows: Sunday, 1 p.m.-5 p.m., Monday, closed, Tuesday, 11 a.m. to 9 p.m., Wednesday – Thursday 12 p.m. to 9 p.m., Friday and Saturday 10 a.m. to 6 p.m. The County shall install and maintain at all times displays in the display windows, if any, of the Leased Premises. The County shall be obligated to obtain any and all licenses and permits necessary for the occupancy of the Leased Premises and the conduct of its business therein.

Landlord acknowledges and agrees that the County may close the Leased Premises for reasonable periods of time in the following instances: (i) to make necessary repairs or alterations but not to exceed fourteen (14) consecutive days and (ii) County Holidays and other days when the County closes for business including snow closings. Except when necessary to make emergency repairs or in the case of snow closings, the County shall give Landlord at least two (2) days advance written notice of each such closing.

In operating its business hereunder, County covenants and agrees that it will: not place or maintain any merchandise, vending machines or other articles in any vestibule or entry of the Premises

or outside the Premises other than a drop off slot for books (as approved by Landlord); store garbage, trash, rubbish and other refuse in rat-proof and insect-proof containers inside the Premises, and remove the same frequently and regularly and, if directed by Landlord, by such means and methods and at such times and intervals as are designated by Landlord, all at County's costs, and, upon Landlord's request, provide a Waste Profile Sheet or equivalent information concerning contents of trash; not permit any sound system audible or objectionable advertising medium visible outside the Premises; keep all mechanical equipment free of vibration and noise and in good working order and condition; not commit or permit waste or a nuisance upon the Premises; not permit or cause odors to emanate or be dispelled from the Premises; not solicit business in the Common Areas nor distribute advertising matter to, in or upon any Common Area; not permit the loading or unloading or the parking or standing of delivery vehicles outside any area designated therefor, nor permit any use of vehicles which will interfere with the use of any Common Areas; comply with all laws, recommendations, ordinances, rules and regulations of governmental, public, private and other authorities and agencies, including those with authority over insurance rates, with respect to the use or occupancy of the Premises, and including but not limited to the Americans with Disabilities Act of 1990 and the Williams-Steiger Occupational Safety and Health Act; not permit any noxious, toxic or corrosive fuel or gas, dust, dirt or fly ash on the Premises; not place a load on any floor in the Center which exceeds the floor load per square foot which such floor was designed to carry.

SECTION 6.03, COUNTY'S ALTERATIONS AND IMPROVEMENTS

- A. County's Initial Leasehold Improvements. As soon as practicable following the Commencement Date, County shall design, engineer, prepare and submit to Landlord detailed preliminary plans and specifications for the construction of the leasehold improvements proposed to be made by the County to the Leased Premises ("County's Leasehold Improvements"). Landlord will review the County's preliminary plans and notify County, not later than thirty (30) days following submission to Landlord, of any required modifications or conditions required to be made to the preliminary plans or, if there are no such modifications or conditions, of Landlord's approval. Landlord's approval shall not be unreasonably withheld, conditioned or delayed. County will submit final Construction Set of Drawings to Landlord, as initially approved or modified in accordance with Landlord's requirements. Landlord's approval of the County's plans shall not constitute an opinion or agreement by Landlord that the plans are in compliance with applicable laws or building codes. County will be responsible, at County's sole cost and expense, to obtain any necessary permits and approvals required for the construction of the County's Leasehold Improvements prior to the commencement of work. County shall construct and complete the County's Leasehold Improvements, in a good and workmanlike manner, in accordance with the Construction Set of Drawings approved by Landlord and in accordance with applicable laws and building codes applicable to the Leased Premises for County's Permitted Use in the Leased Premises. Prior to commencing any County's Work County shall provide Landlord with information regarding the County's Leased Premises, including façade elevations and details, utility layout plans and specifications necessary to enable County to complete construction of County's Leased Premises. County shall construct and fit-out the County's Leasehold Improvements using new or like new quality materials, fixtures consistent with the Shopping Center. County and County's contractors, and subcontractors shall comply with all terms and provisions of this

Lease, including all insurance requirements and County's indemnification of Landlord and with the building codes, regulations and laws now or hereafter to be made or enforced in the municipality, county and/or state in which said Leased Premises are located and which pertain to such work. County, at its sole cost and expense, shall perform and construct, in a good and workmanlike manner, and in accordance with all applicable laws and regulations, all work necessary to prepare the Leased Premises for County's business. Prior to commencing any County's Work County shall provide Landlord with complete and professionally prepared building specific plans and specifications of County's store and County's Work, including façade elevations and details, utility layout plans and all other plans and specifications necessary to enable County to complete construction of the Leased Premises. Prior to County commencing County's Work: (i) all plans and specifications must be approved by Landlord, (ii) all contractors and subcontractors which will perform County's Work must be approved by Landlord, which will not be withheld, conditioned or delayed if said contractors and sub contractors have been selected through the County Procurement process), and (iii) County must comply with the insurance requirements set forth in Section 13.01 hereof (collectively, the "Work Requirements"). County's Work shall commence upon the satisfaction of the Work Requirements. County shall work diligently and in a timely manner to complete County's Work in accordance with the approved plans and specifications.

- B. County shall not make any additional modifications, alterations or improvements to the Leased Premises, beyond the County's Leasehold Improvements, without the prior written approval of Landlord, which approval will not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, County shall have the right, upon thirty (30) days prior written notice to Landlord but without Landlord's consent, to make alterations and improvements to the interior of the Leased Premises that do not within any twelve (12) month period cost more than \$30,000.00; provided that this sentence shall not apply to any alterations or improvements that affect the structure of the Leased Premises or any utilities or building systems. If County desires to make any additional modifications, alterations, improvements or renovations to the Leased Premises, County shall submit detailed plans and specifications to Landlord for approval prior to the performance of any work. If such plans are approved, County shall cause the work to be performed in a good and workmanlike manner, with licensed and qualified contractors approved by Landlord, which approval will not be unreasonably withheld, conditioned or delayed. All such work shall comply with applicable laws and building codes. All materials, fixtures and equipment to be incorporated in the Leased Premises as a result of any alterations, modifications or changes shall be new or like new quality. County shall perform any such work at its sole cost and expense.
- C. Neither Landlord nor Landlord's agents shall be liable for any labor or materials furnished or to be furnished to County on account of the County's Leasehold Improvements or any subsequent alterations, improvements or renovations, and no mechanic's or other lien for labor or materials shall attach to or affect any estate or interest of Landlord in and to the Shopping Center. The County shall remove or bond any mechanic's or materialmen's liens within ten (10) days of the filing thereof. All materials, fixtures and equipment to be incorporated in the Leased Premises as a result of any alterations, modifications or changes shall be new or like new quality.

- D. Any additions, improvements, alterations and/or installations made by County shall become and remain a part of the building and be and remain Landlord's property upon the termination of County's occupancy of said Leased Premises; provided, however, that if Landlord gives written notice to County at the expiration or prior termination of this Lease to such effect, it may require County to remove any improvements made to the Leased Premises by County and restore such portion of the Leased Premises to their original condition. Subject to statutory limitations the County shall save Landlord harmless from and against all expenses, liens, claims or damages to either property or person which may or might arise by reason of the making of any such additions, improvements, alterations and/or installations.

ARTICLE VII

OPERATION OF CONCESSIONS

SECTION 7.01, CONSENT OF LANDLORD

County shall not permit any business to be operated in or from the Leased Premises by any concessionaire or licensee without the prior written consent of Landlord which shall not be unreasonably withheld, conditioned or delayed.

ARTICLE VIII

SECURITY DEPOSIT [INTENTIONALLY OMITTED]

ARTICLE IX

PARKING AND COMMON USE AREAS AND FACILITIES

SECTION 9.01, CONTROL OF COMMON AREAS BY LANDLORD

All automobile parking areas, driveways, entrances and exits thereto, and other facilities (if any shall be furnished by Landlord in or near the Shopping Center), including the truck way or ways, loading docks, package pick-up stations, pedestrian sidewalks and ramps, landscaped areas, exterior stairways, first-aid stations, comfort stations and other areas and improvements (if any shall be provided by Landlord) for the general use, in common, of tenants, their officers, agents, employees and customers, shall at all times be subject to the exclusive control and management of Landlord, and Landlord shall have the right from time to time to establish, modify and enforce reasonable rules and regulations with respect to all facilities and areas mentioned in this Article, provided the Landlord will give the County reasonable notice, in writing, of such rules and regulations and any changes thereto. Landlord shall have the right to construct improvements and maintain and operate lighting facilities on all said areas and improvements; to police the same; from time to time to change the area, level, location and arrangement of parking areas and other facilities hereinabove referred to; to restrict parking by tenants, their officers, agents and employees; to enforce parking charges (by operation of meters or otherwise), with appropriate provisions for free parking ticket validating by tenants; to close

all or any portion of said areas or facilities to such extent as may, in the reasonable opinion of Landlord, be legally sufficient to prevent a dedication thereof or the accrual of any rights to any person or the public therein; to close temporarily all or any part of the parking areas or facilities; to discourage non-customer parking; and to do and perform such other acts in and to said areas and improvements as, in the use of good business judgment, the Landlord shall determine to be advisable with a view to the improvement of the convenience and use thereof by tenants, their officers, agents, employees and customers. Landlord will operate and maintain the Common Areas referred to above in such manner as Landlord, in its sole discretion, shall determine from time to time.

Without limiting the scope of such discretion, Landlord shall have the full right and authority to employ all personnel and to make all rules and regulations pertaining to and necessary for the proper operation and maintenance of the Common Areas and facilities

SECTION 9.02, LICENSE

All Common Areas and facilities not within the Leased Premises, which County may be permitted to use and occupy, are to be used and occupied under a non-exclusive revocable license, and if the amount of such areas be diminished, Landlord shall not be subject to any liability nor shall the County be entitled to any compensation or diminution or abatement of rent, nor shall such diminution of such areas be deemed constructive or actual eviction.

ARTICLE X

COST OF MAINTENANCE OF COMMON AREAS

[INTENTIONALLY OMITTED]

ARTICLE XI

SIGNS, AWNINGS, CANOPIES, FIXTURES, ALTERATIONS

SECTION 11.01, INSTALLATION BY COUNTY

All fixtures installed by the County shall be new or completely reconditioned. County shall not make or cause to be made any alterations, additions or improvements or install or cause to be installed any trade fixture, exterior signs, floor covering, interior or exterior lighting, plumbing fixtures, shades or awnings or make any changes to the store front without first obtaining Landlord's written approval and consent, which shall not be unreasonably withheld, conditioned or delayed. County shall present to the Landlord plans and specifications for such work (as reasonably acceptable to Landlord) at the time approval is sought. Under no circumstances shall the County be allowed to make structural alterations, additions, or improvements or penetrate the roof or exterior walls of the Leased Premises without the express prior written consent of Landlord. It is expressly understood that the use of the roof above the Leased Premises and exterior walls are reserved to Landlord. All permanent improvements shall belong to Landlord and become a part of the Leased Premises upon termination or expiration of this Lease.

SECTION 11.02, REMOVAL AND RESTORATION BY COUNTY

All alterations, decorations, additions and improvements made by County, or made by Landlord on County's behalf by agreement under this Lease, shall remain the property of County for the term of the Lease, or any extension or renewal thereof. Such alterations, decorations, additions and improvements shall not be removed from the Leased Premises prior to the end of the term hereof without prior consent in writing from the Landlord, which shall not be unreasonably withheld, conditioned or delayed. Upon expiration of this Lease, or any renewal term thereof, County shall remove all such alterations, decorations, additions and improvements, and restore the Leased Premises as provided in Section 12.03 hereof; provided, County shall repair or reimburse Landlord for the cost of repairing any damage to the Leased Premises resulting from the installation or removal of such items. If County fails to remove any shelving, decorations, equipment, trade fixtures or personal property from the Leased Premises at the end of the Lease Term, they shall become Landlord's property and County shall repair or pay for the repair of any damage done to the Leased Premises resulting from removing same but not for painting or redecorating the Leased Premises.

SECTION 11.03, SIGNS, AWNINGS AND CANOPIES

County will not place or suffer to be placed or maintained on any exterior door, wall or window of the Leased Premises any sign, awning or canopy, or advertising matter or other thing of any kind, and will not place or maintain any decoration, lettering or advertising matter on the glass of any window or door of the Leased Premises without first obtaining Landlord's written approval and consent, which approval shall not be unreasonably withheld, conditioned or delayed. The County Seal shall be permitted to be displayed on the signage within and on the façade of the Leased Premises so long as the same meets with Landlord's approval and reasonable design criteria and is in compliance with all state and local codes and ordinances governing the same. County further agrees to maintain such sign, awning, canopy, decoration, lettering, advertising matter or other thing as may be approved in good condition and repair at all times in accordance with Landlord's request. Upon termination or expiration of this Lease, the County shall be required to remove any signage and repair any damage caused by the removal thereof. If County fails to remove any signage as set forth in this Section 11.03 prior to the end of the Lease Term, they shall become Landlord's property and County shall repair or pay for the removal of the same including the repair of any damage done to the Leased Premises resulting from Landlord's removal of the same.

ARTICLE XII

MAINTENANCE OF LEASED PREMISES

SECTION 12.01, MAINTENANCE BY COUNTY

County shall at all times keep the Leased Premises (including maintenance of exterior entrances, all glass and show window moldings) and all partitions, doors, fixtures, equipment and

appurtenances thereof (including lighting, heating and plumbing fixtures, escalators, elevators, and any air conditioning system) in good order, condition and repair, (including reasonably periodic painting as determined by Landlord), damage by unavoidable casualty excepted, except for structural portions of the premises, which shall be maintained by Landlord, but if Landlord is required to make repairs to structural portions by reason of County's negligent acts or omission to act, Landlord may add the cost of such repairs to the rent which shall thereafter become due. County will keep the Leased Premises in a clean, orderly and sanitary condition and free of insects, rodents, vermin, other pests, trash and dirt accumulations and shall furnish adequate and proper receptacles for trash and garbage in location(s) designated by Landlord. County will pay for garbage and trash collection services for the Leased Premises as provided by Landlord at a rate of Zero and 99/100 Dollars (\$0.99) per square foot of store floor area (fixed for the term of the Lease), said payment to be made monthly and simultaneously with County's Minimum Rent payment hereunder. Further, County will retain an exterminator service, at County's cost. County agrees to procure and maintain an HVAC maintenance contract with a reputable contractor, providing for the maintenance and repair of the HVAC according to manufacturer's specifications. Such HVAC maintenance contract must be with a licensed and insured contractor.

SECTION 12.02, MAINTENANCE BY LANDLORD

Landlord shall maintain and repair the roof and structural components of the Building throughout the term of this Lease. If County refuses or neglects to repair property as required hereunder and to the reasonable satisfaction of Landlord as soon as reasonably possible after written demand, Landlord may make such repairs without liability to County for any loss or damage that may accrue to County's merchandise, fixtures, or other property or to County's business by reason thereof, and upon completion thereof, County shall pay Landlord's costs (including Landlord's reasonable administrative overhead expense) for making such repairs, upon presentation of bill therefor, as additional rent.

Except as otherwise provided herein, Landlord shall not be obligated to make repairs, replacements or improvements of any kind upon the Leased Premises, or to any equipment, merchandise, stock in trade, facilities or fixtures therein, all of which shall be County's responsibility, but County shall give Landlord prompt written notice of any accident, casualty, damage or other similar occurrence in or to the Leased Premises or the Common Areas of which County has knowledge.

SECTION 12.03, RULES AND REGULATIONS

Landlord reserves the right from time to time to amend or supplement any rules and regulations and to adopt and promulgate additional rules and regulations applicable to Leased Premises and the Shopping Center. The Landlord shall provide thirty (30) days written notice to County of such additional rules and regulations, and amendments and supplements, if any, and County agrees thereupon to comply with and observe all such reasonable rules and regulations, and amendments thereto and supplements thereof, provided the same shall apply uniformly to all tenants of the Shopping Center.

Specifically, County shall comply with the following rules and regulations and any amendments thereto as developed by Shopping Center and Landlord: (i) County shall advise and cause its vendors to deliver all merchandise before noon on Mondays through Fridays, not at other times; (ii) all deliveries

are to be made to designated service or receiving areas and County shall request delivery trucks to approach their service or receiving areas by designated service routes and drives; (iii) tractor trailers which must be unhooked or parked must use steel plates under dolly wheels to prevent damage to the asphalt paving surface. In addition, wheel blocking must be available for use. Tractor trailers are to be removed from the loading areas after unloading. No parking or storing of such trailers will be permitted in the Shopping Center; (iv) except for small parcel packages, no deliveries will be permitted through the malls unless County does not have a rear service door. In such event, prior arrangements must be made with the Shopping Center Manager for delivery. Merchandise being received shall immediately be moved into County's Leased Premises and not be left in the service or receiving areas; (v) County is responsible for storage and removal of its trash, refuse and garbage. County shall not dispose of the following items in sinks or commodes: plastic products (plastic bags, straws, boxes); sanitary napkins; tea bags; cooking fats, cooking oils; any meat scraps or cutting residue; petroleum products (gasoline, naphtha, kerosene, lubricating oils); paint products (thinner, brushes); or any other item which the same are not designed to receive. The Leased Premises of the County, including vestibules, entrances and returns, doors, fixtures, windows and plate glass, shall be maintained in a safe, neat and clean condition; (vi) other than as permitted under the provisions of the Lease, County shall not permit or suffer any advertising medium to be placed on mall walls, on County's mall or exterior windows, on standards in the mall, on the sidewalks or on the parking lot areas or light poles. No permission, expressed or implied, is granted to exhibit or display any banner, pennant, sign, and trade or seasonal decoration of any size, style or material within the Shopping Center, outside the Leased Premises; (vii) County shall not permit or suffer the use of any advertising medium which can be heard or experienced outside of the Leased Premises, including, without limiting the generality of the foregoing, flashing lights, searchlights, loud speakers, phonographs, radios or television. No radio, television, or other communication antenna equipment or device is to be mounted, attached, or secured to any part of the roof, exterior surface, or anywhere outside the Leased Premises, unless Landlord has previously given its written consent which shall not be unreasonably withheld conditioned or delayed; (viii) County shall not permit or suffer merchandise of any kind at any time to be placed, exhibited or displayed outside its Leased Premises, nor shall County use the exterior sidewalks or exterior walkways of its Leased Premises to display, store or place any merchandise. No sale of merchandise by tent sale, truck load sale or the like, shall be permitted on the parking lot or other Common Areas; (ix) County shall not permit or suffer any portion of the Leased Premises to be used for lodging purposes, nor conduct or permit any unusual firing, explosion or other damaging or dangerous hazard within the Leased Premises or the Common Areas; (x) County shall not permit or suffer any portion of the Leased Premises to be used for any warehouse operation, or any assembling, manufacturing, distilling, refining, smelting, industrial, agricultural, drilling or mining operation, adult bookstore or cinema, peepshow, entertainment or sale of products of an obscene or pornographic nature or predominately sexual nature; and (xi) County shall not, in or on any part of the Common Areas: (a) vend, peddle or solicit orders for sale or distribution of any merchandise, device, service, periodical, book, pamphlet or other matter whatsoever; (b) exhibit any sign, placard, banner, notice or other written material, except for activities as approved in writing by Landlord which shall not be unreasonably withheld, conditioned or delayed; (c) distribute any circular, booklet, handbill, placard or other material, except for activities as approved in writing by Landlord which shall not be unreasonably withheld, conditioned or delayed; (d) solicit membership in any organization, group or association or contribution for any purpose; (e) create a public or private nuisance; (f) use any Common Areas (including the enclosed mall) for any purpose when none of the other retail establishments within the Shopping Center is open for business or employment, except for activities as approved in writing by Landlord which

shall not be unreasonably withheld, conditioned or delayed; (g) throw, discard or deposit any paper, glass or extraneous matter of any kind except in designated receptacles, or create litter or hazards of any kind; or (h) deface, damage or demolish any sign, light standard or fixture, landscaping materials or other improvement within the Shopping Center, or the property of customers, business invitees or employees situated within the Shopping Center.

ARTICLE XIII

INSURANCE AND INDEMNITY

SECTION 13.01 COUNTY PROPERTY DAMAGE AND LIABILITY INSURANCE

A. The County shall obtain and maintain, during the full term of this Lease, and any extension thereof, a policy of commercial general liability insurance with bodily injury limits of \$200,000 (Two Hundred Thousand Dollars) for injury (or death) to one person, \$500,000 (Five Hundred Thousand Dollars) per occurrence, and property damage insurance with a limit of \$200,000 (Two Hundred Thousand Dollars), or such other amounts as may be prescribed, from time to time, as the maximum coverage limits pursuant to the Montgomery County Self-Insurance Program. The County shall have the right to self-insure. These are the maximum limits of liability for which the Montgomery County Self-Insurance Program is responsible, under the Local Government Tort Claims Act, Ann. Code, Cts & Jud. Proc. Sect. 5-301 et seq. (2006 Repl. Vol) as amended. Upon the Commencement Date and annually thereafter, County shall provide Landlord with certificates evidencing that such insurance is in full force and effect and stating the terms thereof, including all endorsements at the following address (or such other address as Landlord may notify County): Donald P. Pipino Company, Ltd., 7600 Market Street, PO Box 3849, Youngstown, Ohio 44513-3849.

B. The County agrees that it will not keep in or upon the Leased Premises any article which may be prohibited by the standard form of fire or hazard insurance policy.

C. The County will indemnify Landlord and save it harmless from and against claims, damages, and liability (including reasonable attorney fees incurred by Landlord) in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence upon or at the Premises, or the occupancy or use by County of the Leased Premises or any part thereof, or the County's use of the exterior areas provided by Landlord for the comfort and convenience of County, occasioned wholly or in part, to such extent, by any act or omission of County, its agents, contractors, or employees, excepting claims arising out of the acts or omissions of the Landlord, the Landlord's agents, and employees. County shall indemnify Landlord against any penalty, damage or charge incurred or imposed by reason of County's violation of any law or ordinance. Any indemnification given by the County in this Agreement is contingent upon the appropriation of funds and is subject to the damage caps and notice of requirements stated in the Local Government Tort Claims Act, Md. Ann. Code, Cts & Jud. Proc. § 5-509; and Md. Code Ann., Cts. & Jud. Proc. § 5-504; and Md. Code Ann. Cts & Jud. Proc. § 5-604 (together the "County Indemnification Statutes"), all as amended from time to time, and that any indemnification given by the County in this Agreement is not intended to create any rights or causes of action in any third parties or to increase the County's liability above the caps provided in the County Indemnification Statutes, as applicable.

D. The County further agrees that all personal property in the Leased Premises shall be and remain at County's sole risk, and Landlord shall not be liable for any damage to or loss of such personal property excepting damage arising out of the acts or omissions of the Landlord, Landlord's agents, contractors or employees.

E. Within thirty (30) days of Landlord's request, the County shall deliver to Landlord a certificate of insurance evidencing the coverage hereinabove described.

13.02 LANDLORD PROPERTY DAMAGE AND LIABILITY INSURANCE

A. Landlord shall carry commercial general liability insurance (either through the purchase of insurance or a self-insurance plan) on those portions of the Common Areas included in Landlord's Tract providing coverage of not less than \$5,000,000.00 against liability for bodily injury including death and personal injury for any one (1) occurrence and \$1,000,000.00 property damage insurance, or combined single limit insurance in the amount of \$5,000,000.00. Montgomery County must be named as Additional Insured on all liability policies and provide on such policies a minimum of thirty (30) days notice of cancellation.

Landlord shall also carry insurance for fire, extended coverage, vandalism, malicious mischief and other endorsements deemed advisable by Landlord, insuring all improvements on Landlord's Tract, including the Leased Premises and all leasehold improvements thereon and appurtenances thereto (excluding County's merchandise, trade fixtures, furnishings, equipment, personal property and excluding plate glass) for the full insurable value thereof, with such deductibles as Landlord deems advisable.

B. Within thirty (30) days of the County's written request, the Landlord shall provide a certificate of insurance evidencing the coverage hereinabove described within thirty (30) days from execution of this Lease.

C. The Landlord will defend and indemnify County and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property, business interruption and loss of use arising from or out of any occurrence upon or at the Leased Premises, or the occupancy or use by the Landlord of the Leased Premises or any part thereof including exterior areas, to such extent, by any negligent act or omission of the Landlord, its agents, contractors, or employees, excepting claims arising out of the acts or omissions of the County, the County's agents, and employees. The Landlord shall defend and indemnify the County against any penalty, damage or charge incurred or imposed by reason of the Landlord's violation of any law or ordinance.

D. County will not do or suffer to be done anything which will contravene Landlord's insurance policies or prevent Landlord from procuring such policies in amounts and companies selected by Landlord. If anything done, omitted to be done or suffered to be done by County in, upon or about

the Leased Premises shall cause the rates of any insurance effected or carried by Landlord on the Leased Premises or other property to be increased beyond the regular rate from time to time applicable to the Leased Premises for use for the purpose permitted under this Lease, or such other property for the use or uses made thereof, County will pay the amount of such increase promptly upon Landlord's demand and Landlord shall have the right to correct any such condition at County's expense.

SECTION 13.03 MUTUAL WAIVER OF SUBROGATION

Landlord and County and all parties claiming, by, through or under them mutually release and discharge each other from all claims and liabilities arising from or caused by any casualty or hazard covered or required hereunder to be covered in whole or in part by property insurance on the Premises or in connection with property on or activities conducted on the Premises, and waive any right of subrogation which might otherwise exist in or accrue to any person on account thereof and further agree to evidence such waiver by endorsement to the required insurance policies, provided that such release shall not operate in any case where the effect is to invalidate or increase the cost of such insurance coverage (provided that in the case of increased cost, the other party shall have the right, within thirty (30) days following written notice, to pay such increased cost thereby keeping such release and waiver in full force and effect).

ARTICLE XIV

UTILITIES

SECTION 14.01, UTILITY CHARGES

County shall be solely responsible for and promptly pay all charges for heat, water, gas, electricity or any other utility used or consumed in the Leased Premises. Should Landlord elect to supply the water, gas, heat, electricity or any other utility used or consumed in the Leased Premises, County agrees to purchase and pay for the same, as additional rent, at the applicable rates filed by Landlord with the proper regulatory authority. In no event shall Landlord be liable for an interruption or failure in the supply of any such utilities to the Leased Premises. All utilities shall be paid by County.

ARTICLE XV

OFFSET STATEMENT, ATTORNMENT SUBORDINATION

SECTION 15.01, ESTOPPEL

County, within twenty-five (25) days after receiving notice from, and without charge or cost shall certify by written instrument to that: (i) this Lease is in full force and effect and unmodified (or if modified, stating the modification); and (ii) the dates, if any, which components of the Rent due under this Lease have been paid in the form attached as Exhibit E been paid. Nothing contained in this Lease shall be construed as a consent on the part of Landlord to subject Landlord's estate in the Leased Premises to any lien or liability under the lien laws of the State where the Center is located and any lien

filed against the Center or the Leased Premises as a result of County's Work or the possession and occupancy of the Leased Premises by the County shall constitute a default hereunder.

SECTION 15.02, ATTORNMENT

County shall, in the event any proceedings are brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by Landlord covering the Leased Premises, attorn to the purchaser upon any such foreclosure or sale and recognize such purchaser as Landlord under this Lease. In the event of transfer by deed in lieu of foreclosure, the County shall attorn to purchaser (upon request of purchaser) and agrees purchaser shall not be bound by payment of rent in advance or by any amendments or modifications to the Lease made without prior written consent of the mortgage or purchaser.

SECTION 15.03, SUBORDINATION

County agrees that this Lease and its rights hereunder are hereby subordinate to the lien of any mortgage or mortgages, or the lien resulting from any other method of financing or refinancing, now or hereafter in force against the land and/or buildings hereafter placed upon the land of which the Leased Premises are a part, and to all advances made or hereafter to be made upon the security thereof. Such subordination herein shall be self-operating. County shall execute, at Landlord's request, any commercially reasonable and factually accurate subordination agreement required by any mortgagee, ground lessor or other such person to be executed, containing such provisions as such mortgagee, ground lessor or other person requires and which are commercially reasonable and factually accurate.

This Lease is subject and subordinate to one (1) or more construction, operation, reciprocal easement or similar agreements (hereinafter referred to as "Operating Agreements") entered into or hereafter to be entered into between Landlord and other owners or lessees of real estate (including but not limited to owners and operators of department stores) within or near the Shopping Center (which Operating Agreements have been or will be recorded in the official records of the County wherein the Shopping Center is located) and to any and all easements and easement agreements which may be or have been entered into with or granted to any persons heretofore or hereafter, whether such persons are located within or upon the Shopping Center or not, and County further agrees to sign and deliver a Subordination Agreement in the form attached as Exhibit F within twenty-five (25) days after request by Landlord.

ARTICLE XVI

ASSIGNMENT AND SUBLETTING

SECTION 16.01, CONSENT REQUIRED

County will not assign this Lease in whole or in part, nor sublet all or any part of the Leased Premises without Landlord's prior written consent which will not be unreasonably withheld conditioned or delayed.

ARTICLE XVII

WASTE, GOVERNMENTAL REGULATIONS

SECTION 17.01, WASTE OR NUISANCE

County shall not commit or suffer to be committed any waste upon the Leased Premises or any nuisance or other act or thing which may disturb the quiet enjoyment of any other tenant in the building in which the Leased Premises may be located, or in the Shopping Center, or which may disturb the quiet enjoyment of any other tenant in the building in which the Leased Premises may be located, or in the Shopping Center.

SECTION 17.02, GOVERNMENTAL REGULATIONS

County shall, at County's sole cost and expense, comply with all of the requirements of all county, municipal, state, federal and other governmental authorities, now in force, or which may hereafter be in force, pertaining to the Leased Premises, and shall faithfully observe in the use of the Leased Premises all municipal and county ordinances and state and federal statutes now in force or which may hereafter be in force. Landlord makes no representations or warranties as to whether or not County shall be permitted occupy the Leased Premises.

ARTICLE XVIII

ADVERTISING

SECTION 18.01, CHANGE OF NAME

County agrees not to change the advertised name of the business operated in the Leased Premises without the written permission of Landlord, which shall not be unreasonably withheld, conditioned or delayed.

SECTION 18.02, SOLICITATION OF BUSINESS

County and County's employees and agents shall not solicit business in the parking or other common areas, nor shall County distribute any handbills or other advertising matter in automobiles parked in the parking area or in other common areas.

ARTICLE XIX

DESTRUCTION OF LEASED PREMISES

SECTION 19.01, TOTAL OR PARTIAL DESTRUCTION

If the Leased Premises shall be damaged by fire, the elements, unavoidable accident or other casualty, but are not thereby rendered untenable in whole or in part, Landlord shall, with reasonable diligence, after receiving all necessary permits and approvals and insurance proceeds sufficient to cover the cost of restoration, repair or restore such damage, and the rent shall not be abated. If by reason of such occurrence, the Leased Premises shall be rendered untenable only in part, Landlord with reasonable diligence, after receiving all necessary permits and approvals and insurance proceeds sufficient to cover the cost of restoration, repair or restore such damage, and the fixed minimum rent meanwhile shall be abated proportionately as to the portion of the Leased Premises rendered untenable. If the Leased Premises shall be rendered wholly untenable by reason of such occurrence then Landlord may, at Landlord's sole discretion, at its own expense, restore or rebuild the same, and the rent meanwhile shall abate until the Leased Premises have been restored and rendered tenantable. If Landlord elects not to rebuild the Leased Premises, either Landlord or County may elect to terminate this Lease by sending written notice thereof to the other party within a reasonable time after Landlord has made such determination. Any time that Landlord repairs or restores the Leased Premises after damage or destruction, then County shall promptly repair or replace its stock in trade, fixtures, furnishings, furniture, carpeting, wall covering, floor covering, drapes, equipment and Leased Premises to the same condition as they were in immediately prior to the casualty, and if County has closed its business, County shall promptly reopen for business upon the completion of such repairs.

Notwithstanding anything contained herein to the contrary, the Landlord shall not be required to expend, in connection with any such repair, in excess of the insurance proceeds payable to the Landlord as a result of such casualty; provided, further, that all or a portion of such proceeds may be required to be paid to Landlord's mortgagee(s) in which event the amount of funds available for repair shall be reduced by the amount of such proceeds payable to the mortgagee(s). PROVIDED, HOWEVER, that Landlord shall not be obligated to repair and restore if such casualty is not covered by the insurance which Landlord is obligated to carry pursuant to Section 13 hereof or is caused directly or indirectly by the negligence of County, its agents, and employees and in either of such events, no portion of the Minimum Monthly Rent and other payments payable hereunder shall abate, and PROVIDED, FURTHER, that if the Leased Premises be damaged, destroyed or rendered untenable for their accustomed uses by fire or other casualty to the extent of more than fifty percent (50%) of the cost to replace the Leased Premises during the last year of the Lease Term, then Landlord shall have the right to terminate this Lease effective as of the date of such casualty by giving to County, within sixty (60) days after the happening of such casualty, written notice of such termination.

SECTION 19.02, PARTIAL DESTRUCTION OF SHOPPING CENTER

In the event that fifty percent (50%) or more of the rentable area of the Shopping Center shall be damaged or destroyed by fire or other cause, notwithstanding that the Leased Premises may be unaffected by such fire or other cause, Landlord may terminate this Lease and the tenancy hereby

created by giving to County five (5) days prior written notice of Landlord's election so to do which notice shall be given, if at all, within the sixty (60) days following the date of said occurrence, provided that Landlord also terminates the leases of all similarly situated tenants. Rent shall be adjusted as of the date of such termination.

ARTICLE XX

EMINENT DOMAIN

SECTION 20.01, TOTAL CONDEMNATION OF LEASED PREMISES

If the whole of the Leased Premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, then the term of this Lease shall cease and terminate as of the date of title vesting in such proceeding and all rentals shall be paid up to that date and County shall have no claim against Landlord nor the condemning authority for the value of any unexpired term of this Lease.

SECTION 20.02, PARTIAL CONDEMNATION

If any part of the Leased Premises shall be acquired or condemned as aforesaid, and in the event that such partial taking or condemnation shall render the Leased Premises unsuitable for the business of the County, then the term of this Lease shall cease and terminate as of the date of title vesting in such proceeding. County shall have no claim against Landlord nor the condemning authority for the value of any unexpired term of this Lease and rent shall be adjusted to the date of such termination. In the event of a partial taking or condemnation which is not extensive enough to render the Leased Premises unsuitable for the business of the County, then Landlord shall within a reasonable time after possession is physically taken (subject to delays due to shortage of labor, materials or equipment, labor difficulties, breakdown of equipment, government restrictions, fires, other casualties or other causes beyond the reasonable control of Landlord) restore the Leased Premises to a condition comparable to its condition at the time of such condemnation less the portion lost in the taking, and this Lease shall continue in full force and effect without any reduction or abatement of rent.

SECTION 20.03, COUNTY'S DAMAGES

Although all damages in the event of any condemnation are to belong to the Landlord whether such damages are awarded as compensation for diminution in value of the leasehold or to the fee of the Leased Premises, County shall retain the right to claim and recover from the condemning authority, but not from Landlord and in a manner so not to reduce Landlord's damages in any manner, such compensation as may be separately awarded or recoverable by County in County's own right on account of any and all damage to County's business by reason of the condemnation and for or on account of any cost or loss to which County might be put in removing County's merchandise, furniture, fixtures, leasehold improvements and equipment.

ARTICLE XXI

DEFAULT

SECTION 21.01, LANDLORD'S REMEDIES

If the County shall make default in payment of the rents, including any amounts denominated as additional rent reserve hereunder for a period of seven (7) days after any of the same shall have become due and payable as aforesaid, or if County shall abandon or appear to abandon the Leased Premises or fail to conduct retail business therein, for a period of seven (7) consecutive business days except for repairs or restoration of the Leased Premises with the consent of the Landlord, or if default shall be made by County in any of the other covenants and agreements herein contained to be kept and fulfilled on the part of the County for a period of thirty (30) days after written notice of such default is given by the Landlord to the County without action by the County to remedy such default and continuance of such action to remedy such default to conclusion with reasonable diligence or removes a substantial portion of its personal property from the Leased Premises other than by reason of any assignment or subletting of the Leased Premises permitted under this Lease, then and forthwith thereafter the Landlord shall have the right at its option and without prejudice to its rights hereunder, to terminate this Lease and/or to re-enter and take possession of the Leased Premises, or the Landlord, without such re-entry may recover possession of the Leased Premises in the manner prescribed by the statute relating to summary process, and any demand for rent, re-entry for condition broken, and any and all notice to quit, or other formalities of any nature, to which the County may be entitled, in such event, are hereby specifically waived; and that after default be made in any of the covenants contained herein, the acceptance of rent or failure to re-enter by the Landlord shall not be held to be a waiver of its right to terminate this Lease, or re-enter the Leased Premises, and the Landlord may re-enter and take possession thereof the same as if no rent had been accepted after such default. In addition thereto, on the happening of any event of default, the Landlord may, at its option declare immediately due and payable all the remaining installments of rent herein provided for and such amount, less the fair market value of the Leased Premises, for the residue of said term shall be construed as liquidated damages. All of the remedies given to the Landlord in this paragraph, or elsewhere in this lease in the event of default by County, are in addition to and not in derogation of all other rights or remedies to which Landlord may be entitled under the laws of the State of Maryland, and all such remedies shall be deemed cumulative such that the election of one shall not be deemed a waiver of any other or further rights or remedies.

SECTION 21.02, RIGHT TO RELET

Should Landlord elect to re-enter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time without terminating this Lease, make such alterations and repairs as may be necessary in order to relet the Leased Premises, and relet the Leased Premises or any part thereof for such term or terms (which may be for a term extending beyond the term of this Lease) and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable; upon each such reletting all rentals received by Landlord from such reletting shall be applied, first, to the payment of any indebtedness other than rent due hereunder from County to

Landlord; second, to the payment of any costs and expenses of such reletting, including reasonable attorney's fees and of costs of such alterations and repairs; third, to the payment of rent due and unpaid hereunder, and the residue, if any, shall be held by Landlord and applied in payment of future rent as the same may become due and payable hereunder. If such rentals received from such reletting during any month be less than that to be paid during that month by County hereunder, County shall pay any such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of the Leased Premises by Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to County or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous breach. Should Landlord at any time terminate this Lease for any breach, in addition to any other remedies it may have, it may recover from County all damages it may incur by reason of such breach, including the cost of recovering the Leased Premises, reasonable attorney's fees, and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this Lease for the remainder of the stated term over the then reasonable rental value of the Leased Premises for the remainder of the stated term, all of which amounts shall be immediately due and payable from County to Landlord.

SECTION 21.03, LEGAL EXPENSES

In case suit shall be brought for recovery of possession of the Leased Premises, for the recovery of rent or any other amount due under the provisions of this Lease, or because of the breach of any other covenant herein contained on the part of County to be kept or performed, and a breach shall be established, County shall pay to Landlord all expenses incurred therefor, including a reasonable attorney's fee. Likewise, Landlord shall pay to County all expenses and reasonable attorney's fees in any legal proceeding in which County prevails in a full and final adjudication. County's obligation to reimburse Landlord for attorneys' fees as referred to in this Lease shall include all legal costs, fees and expenses arising out of (i) County's default in the performance or observance of any of the terms, covenants, conditions or obligations contained in this Lease and Landlord places the enforcement of all or any part of this Lease, the collection of any rent due or to become due or the recovery of possession of the Premises in the hands of an attorney or (ii) Landlord's incurring any fees or out of pocket costs in any litigation, negotiation or transaction in which County causes Landlord to be involved or concerned, in either event regardless of whether or not suit is actually filed.

SECTION 21.04, WAIVER OF JURY TRIAL

Should any controversy arise by and between the Parties concerning any of the terms and conditions contained in this Lease, or the payment of monies due hereunder, each of the Parties hereby knowingly, voluntarily and intentionally waives its right to a jury trial and freely elects to be tried by a court of competent jurisdiction in Montgomery County, Maryland without a jury.

SECTION 21.05, WAIVER OF RIGHTS OF REDEMPTION

County hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of County being evicted or dispossessed for any cause, or in the

event of Landlord obtaining possession of the Leased Premises, by reason of the violation by County of any of the covenants or conditions of this Lease, or otherwise.

SECTION 21.06 DEFAULT BY LANDLORD

In the event that the Landlord or its assigns shall fail or neglect to keep and perform each and every one of the covenants, conditions, and agreements contained in this Lease, County shall allow Landlord a reasonable length of time (in any event not less than thirty (30) days) after written notice from the County specifying the default, to cure such default. A default hereunder shall be deemed cured if Landlord in good faith commences to cure the same within thirty (30) days after receipt of notice and thereafter continuously and with reasonable diligence proceeds to complete the cure of such default.

ARTICLE XXII

ACCESS BY LANDLORD

SECTION 22.01, RIGHT OF ENTRY

Landlord or Landlord's agents shall have the right to enter the Leased Premises at all reasonable times to examine the same, and to show them to prospective purchasers or lessees of the building, and to make such repairs, alterations, improvements or additions as Landlord may deem necessary or desirable, and Landlord shall be allowed to take all material into and upon said Leased Premises that may be required therefor without the same constituting an eviction of County in whole or in part and the rent reserved shall in no way abate while said repairs, alterations, improvements, or additions are being made, by reason of loss or interruption of business of County, or otherwise. During the six (6) months prior to the expiration of the term of this Lease or any renewal term, Landlord may exhibit the Leased Premises to prospective tenants or purchasers, and place upon the Leased Premises the usual notices "To Let" or "For Sale" which notices County shall permit to remain thereon without molestation. If County shall not be personally present to open and permit an entry into the Leased Premises, at any time, when for any reason an entry therein shall be necessary or permissible, Landlord or Landlord's agents may enter the same by a master key, without rendering Landlord or such agents liable therefor, and without in any manner affecting the obligations and covenants of this Lease. Nothing herein contained, however, shall be deemed or construed to impose upon Landlord any obligation, responsibility or liability whatsoever, for the care, maintenance or repair of the building or any part thereof, except as otherwise herein specifically provided.

ARTICLE XXIII

COUNTY'S PROPERTY

SECTION 23.01, TAXES ON LEASEHOLD

County shall be responsible for and shall pay before delinquency all municipal, county or state taxes assessed during the term of this Lease against any leasehold interest or personal property of any kind, owned by or placed in, upon or about the Leased Premises by County.

SECTION 23.02, LOSS AND DAMAGE.

Landlord shall not be liable to Tenant for any damage to property of County located on the Leased Premises, nor for the loss of or damage to any property of County by theft or otherwise. All property of County kept or stored on the Leased Premises shall be so kept or stored at the risk of County only and County shall hold Landlord harmless from any claims arising out of damage to the same, unless such damage shall be caused by the willful act or gross neglect of Landlord, subject to the Insurance provisions of this Lease.

SECTION 23.03, NOTICE BY COUNTY

County shall give immediate notice after County has been made aware to Landlord in case of fire or accidents in the Leased Premises or in the building of which the Leased Premises are a part of defects therein or in any fixtures or equipment.

ARTICLE XXIV

HOLDING OVER, SUCCESSORS

SECTION 24.01, HOLDING OVER

If County shall hold possession of the Leased Premises after the expiration or termination of this Lease, at Landlord's option (i) County shall be deemed to be occupying the Leased Premises as a tenant from month to month, during which time either party may terminate this Lease on thirty (30) days written notice, and will be otherwise subject to all of the terms and conditions of this Lease, or (ii) Landlord may exercise any other remedies it has under this Lease or at law in equity including an action for holding over after the date stipulated in Landlord's notice above.

Monthly Rent during County's use and occupancy of the Leased Premises during any extension of the term on a month to month basis shall increase by three percent (3%) over the Monthly Rent due during the final month of the Lease Term. Notwithstanding the foregoing, Landlord shall also be entitled to recover all additional reasonable attorney fees and costs incurred by Landlord to recapture the Leased Premises as a result of Tenant's hold over in the premises.

SECTION 24.02, SUCCESSORS

All rights and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors, and assigns of the said parties, except as may be limited by law.

SECTION 24.03, TRANSFER OF LANDLORD'S INTEREST; LIABILITY

Notwithstanding any provision of this Lease to the contrary, in the event of the sale or other transfer of Landlord's interest in the Leased Premises or the Shopping Center, (i) Landlord shall thereupon and without further act by either party hereto be released and discharged of all covenants and obligations of Landlord hereunder thereafter accruing except for any obligation that may have accrued prior to transfer of interest but the County did not have notice of, and (ii) it shall be deemed and construed conclusively, without further agreement between the parties, that the purchaser or other transferee or assignee has assumed and agreed to perform the obligations of Landlord thereafter accruing.

ARTICLE XXV

QUIET ENJOYMENT

SECTION 25.01, LANDLORD'S COVENANT

Upon payment by County of the rents herein provided, and upon the observance and performance of all the covenants, terms and conditions on County's part to be observed and performed, County shall peaceably and quietly hold and enjoy the Leased Premises for the term hereby Leased without hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through or under the Landlord, subject, nevertheless, to the terms and conditions of this Lease.

ARTICLE XXVI

MISCELLANEOUS

SECTION 26.01, WAIVER

The waiver by Landlord of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach if the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by County of any term, covenant or condition of this Lease, other than the failure of County to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this Lease shall be deemed to have been waived by Landlord, unless such waiver be in writing by Landlord.

SECTION 26.02, ACCORD AND SATISFACTION

No payment by County or receipt by Landlord of a lesser amount than the monthly rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy in this Lease provided.

SECTION 26.03, ENTIRE AGREEMENT

This Lease and the Exhibits, and Riders, if any, attached hereto and forming a part hereof, set forth all the covenants, promises, agreements, conditions and understandings between Landlords and County concerning the Leased Premises and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between them other than are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or County unless reduced to writing and signed by them.

SECTION 26.04, NO PARTNERSHIP

Landlord does not, in any way or for any purpose, become a partner of County in the conduct of its business, or otherwise or joint adventurer or a member of a joint enterprise with County nor does the County become a partner of Landlord in the conduct of its business, or otherwise or joint adventurer or a member of a joint enterprise with the Landlord.

SECTION 26.05, NOTICES

Any notice, demand, request or other instrument which may be or are required to be given under this Lease shall be delivered in person or sent by United States certified mail postage prepaid and shall be addressed to the following addresses or such other address as the parties shall designate by written notice.

LANDLORD:

LAKEFOREST ASSOCIATES LLC
c/o M.S. Management Associates Inc.
225 West Washington Street
Indianapolis, Indiana 46204-3438

REMITTANCE ADDRESS:

LAKEFOREST ASSOCIATES LLC
P.O. Box 404574
Atlanta, Georgia 30384-4574

COUNTY:

Montgomery County, Department of General Services
Office of Real Estate
101 Monroe Street, 9th Floor
Rockville, Maryland 20850
Attn: Director of Real Estate

With a copy that does not constitute a notice:

Office of the County Attorney for Montgomery County Maryland
101 Monroe Street, 3rd Floor
Rockville, Maryland 20850
Attn: County Attorney

SECTION 26.06, CAPTIONS AND SECTION NUMBERS

The captions, section numbers, article numbers, and index appearing in this Lease are inserted only as a matter of convenience and in now way define, limit, construe, or describe the scope or intent of such sections or articles or this Lease nor in any way affect this Lease.

SECTION 26.07, COUNTY DEFINED, USE OF PRONOUN

The use of the neuter singular pronoun to refer to Landlord, Landlord or County shall be deemed a proper reference even though Landlord, Landlord or County may be an individual, a partnership, a corporation, or a group of two or more individuals or corporations. The necessary grammatical changes required to make the provisions of this Lease apply in the plural sense where there is more than one Landlord, Landlord or County and to either corporations, associations, partnerships, or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

SECTION 26.08, BROKER'S COMMISSION

Each of the parties represents and warrants that there are no claims for brokerage commission or finder's fees in connection with the execution of this Lease, and each of the parties agrees to indemnify the other against, hold it harmless from, all liabilities arising from any such claim (including without limitation, the cost of counsel fees in connection therewith).

SECTION 26.09, PARTIAL INVALIDITY

If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

Section 26.10, SUBMISSION

Submission of this Lease to Tenant does not constitute an offer to lease; this Lease shall become effective only upon execution and delivery thereof by Landlord and Tenant. Upon execution of this Lease by Tenant, Landlord is granted an irrevocable option for forty-five (45) days to execute this Lease within said period and thereafter return a fully executed copy to Tenant. The effective date of this Lease shall be the date filled in on Page 1 hereof by Landlord, which shall be the date of execution by the last of the parties to execute the Lease.

SECTION 26.11, RECORDING

County may record this Lease; however, in lieu of recording the Lease, upon the request of either Party hereto the other Party shall join in the execution of a memorandum or so-called "short form" of this Lease for the purposes of recordation. Said memorandum or short form of this Lease shall describe the Parties, the Leased Premises and the term of this Lease and shall incorporate this Lease by reference. The Party causing the recording shall be responsible for all costs thereof, including the payment of any transfer or recordation taxes imposed in connection therewith.

SECTION 26.12, LIMITATION OF LIABILITY

If Landlord or any successor in interest to Landlord shall be an individual, joint venture, tenancy in common, firm or partnership, general or limited, there shall be no personal liability on such individual, firm, partnership, joint venture with respect to any of the provisions of this Lease or any obligations arising therefrom in connection therewith, except for the gross negligence or criminal acts committed by such individual, firm, partnership, or joint venture of Landlord. The County and its successors and assigns, shall look solely to the equity of the then owner of the Shopping Center for the satisfaction of remedies by County or any other party in the event of a breach by the Landlord of any of its obligations hereunder except for the gross negligence, willful misconduct or criminal acts committed by such individual, firm, partnership, or joint venture of Landlord.

The term "Landlord" shall mean only the owner at the time in question of the present Landlord's interest in the Center. In the event of a sale or transfer of the Shopping Center (by operation of law or otherwise) or in the event of the making of a lease of all or substantially all of the Shopping Center, or in the event of a sale or transfer (by operation of law or otherwise) of the leasehold estate under any such lease, the grantor, transferor or lessor, as the case may be, shall be and hereby is (to the extent of the interest or portion of the Shopping Center or leasehold estate sold, transferred or leased) automatically and entirely released and discharged, from and after the date of such sale, transfer or leasing of all liability with respect of the performance of any of the terms of this Lease on the part of Landlord thereafter to be performed; provided that the purchaser, transferee or lessee (collectively, "Transferee") shall be deemed to have assumed and agreed to perform, subject to the limitations of this Section (and without further agreement between the other parties hereto, or among such parties and the Transferee) and only during and in respect of the Transferee's period of ownership of the Landlord's interest under this Lease, all of the terms of this Lease on the part of Landlord to be performed during such period of ownership, it being intended that Landlord's obligations hereunder shall, as limited by

this Section, be binding on Landlord, its successors and assigns only during and in respect of their respective, successive periods of ownership.

SECTION 26.13, UNRELATED BUSINESS TAXABLE INCOME

A. If at any time and from time to time during the Lease Term, Landlord is advised by its counsel or counsel to a tax exempt partner of the managing partner of Landlord that any provision of this Lease, including without limitation the provisions relating to the payment of rent and additional rent, or the absence of any provision might give rise to unrelated business taxable income within the meaning of section 512 of the Internal Revenue Code of 1986, as amended, or the regulations issued thereunder, or may jeopardize the tax-exempt status of any partner in Landlord or any partner in a partnership that is a partner in Landlord, or may prevent any such partner from obtaining such tax-exempt status, then this Lease may be unilaterally amended by Landlord in such manner as shall meet the requirements specified by counsel for Landlord and Tenant agrees that it will execute all documents or instruments necessary to effect such amendments, provided that no such amendment shall result on an estimated basis in Tenant having to pay in the aggregate more on account of its occupancy of the Premises than it would be required to pay under the terms of this Lease, or having to receive fewer services or services of lesser quality than it is presently entitled to receive under this Lease.

B. Any services which Landlord is required to furnish pursuant to the provisions of this Lease may, at Landlord's option, be furnished from time to time, in whole or in part, by employees of Landlord or the managing agent of the Shopping Center or its employees or by one or more third persons hired by Landlord or the managing agent of the Shopping Center. The County agrees that upon Landlord's written request it will enter into direct agreements with the managing agent of the Shopping Center or other parties designated by Landlord for the furnishing of any such services required to be furnished by Landlord herein, in form and content approved by Landlord, provided, however, that no such contract shall result on an estimated basis in County having to pay in the aggregate more money on account of its occupancy of the Leased Premises under the terms of this Lease, or having to receive fewer services or services of a lesser quality than it is presently entitled to receive under this Lease.

ARTICLE XXVII

DISPUTES

County agrees not to institute proceedings in any court of competent jurisdiction on any dispute between the parties hereto without first giving thirty (30) days notice in writing of such intent or such other notice and opportunity to cure as set forth herein. The Landlord agrees not to institute proceedings in any court of competent jurisdiction on any dispute between the parties hereto without first giving thirty (30) days notice in writing of such intent or such other notice and opportunity to cure as set forth herein.

ARTICLE XXVIII

NON-DISCRIMINATION

Landlord agrees to comply with the non-discrimination policies in County contracts as required by Section 11B-33 and Section 27 of the Montgomery County Code 2004, as amended, as well as all other applicable state and federal laws and regulations regarding employment discrimination. The Landlord assures the County that in accordance with applicable law; it does not, and agrees that it will not discriminate in any manner on the basis of race, color, religious creed, sex, martial status, national origin, ancestry, disability, sexual orientation or genetic status.

ARTICLE XXIX

NON-APPROPRIATION

This Lease is subject to the appropriation of funds. Montgomery County Department of Libraries will include a request for appropriation of funds for this Lease in its annual budget request for each fiscal year during the term of this Lease. If funds are not appropriated, for any reason whatsoever, the Lease will automatically terminate on July 1 of the calendar year which the County does not appropriate funds. County shall give the Landlord at least thirty (30) days written notice of the lack of appropriation. The County shall not make or be entitled to any claim for reimbursement of any kind, whether for improvements or prepaid items.

ARTICLE XXX

PUBLIC EMPLOYMENT

Landlord understands that unless authorized under Chapter 19A and Section 11B-52 of the Montgomery County Code (2004), as amended, it is unlawful for any person transacting business with Montgomery County, Maryland, to employ a public employee for employment contemporaneous with his or her public employment.

ARTICLE XXXI

ADA PROVISION

County shall be liable for any cost, claim or alteration arising from the Americans with Disabilities Act which is:

- (A) related to the Leased Premises, including, but not limited to, all doors (both interior and exterior), door hardware, electrical, plumbing, and floor covering, (unless resulting from improvements or alterations hereafter made by Landlord to the Shopping Center or the Leased Premises);
- (B) resulting from any improvement or alteration of the Leased Premises made by County;
or
- (C) resulting from County's use of the Leased Premises.

Landlord shall be liable for any cost, claim or alteration arising from the Americans with Disabilities Act which results from improvements or alterations hereafter made by Landlord to the Common Areas or the Leased Premises.

ARTICLE XXXII

HAZARDOUS MATERIALS

The County shall not transport, use, store, maintain, generate, manufacture, handle, dispose, release or discharge any "Hazardous Material" (as defined below) upon or about the Shopping Center, or permit the County's employees, contractors, invitees (of the Leased Premises) and other occupants of the Leased Premises to engage in such activities upon or about the Shopping Center.

The County shall promptly notify Landlord of: (i) any enforcement, cleanup or other regulatory action taken or threatened by any governmental or regulatory authority with respect to the presence of any Hazardous Material on the Premises or the migration thereof from or to other property, (ii) any demands or claims made or threatened by any Party relating to any loss or injury resulting from any Hazardous Material on the Leased Premises, (iii) any release, discharge or non-routine, improper or unlawful disposal or transportation of any Hazardous Material on or from the Leased Premises or in violation of this Article, and (iv) any matters where the County is required by Law to give a notice to any governmental or regulatory authority respecting any Hazardous Material on the Leased Premises. Landlord shall have the right (but not the obligation) to join and participate, as a Party, in any legal proceedings or actions affecting the Premises initiated in connection with any environmental, health or safety Law. At such times as Landlord may reasonably request, the County shall provide Landlord with a written list, certified to be true and complete, identifying any Hazardous Material then used, stored, or maintained upon the Premises, the use and approximate quantity of each such material, a copy of any material safety data sheet ("MSDS") issued by the manufacturer therefor, and such other information as Landlord may reasonably require or as may be required by Law. As used in this Lease, "Hazardous Material(s)" shall mean any hazardous, toxic or radioactive substance, material, matter or waste which is or becomes regulated by any federal, state or local law, ordinance, order, rule, regulation, code or any other governmental restriction or requirement, and shall include asbestos, petroleum products and the terms "Hazardous Substance" and "Hazardous Waste" as defined in the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), as amended, 42 U.S.C. 9601 et seq., the Resource Conservation and Recovery Act ("RCRA"), as amended, 42 U.S.C. 6901 et seq.

If any Hazardous Material is released, discharged or disposed of by the County or any other occupant of the Leased Premises, or their employees, or contractors, on or about the Shopping Center in violation of the foregoing provisions, the County shall immediately, properly and in compliance with applicable Laws clean up and remove the Hazardous Material from the Shopping Center and any other affected property and clean or replace any affected personal property (whether or not owned by Landlord), at the County's expense (without limiting Landlord's other remedies therefor). If any Hazardous Material is released, discharged or disposed of on or about the Shopping Center and such release, discharge or disposal is not caused by the County or other occupants of the Leased Premises, or their employees, or contractors, such release, discharge or disposal shall be deemed casualty damage under Article 14 to the extent that the Leased Premises are affected thereby; in such case, Landlord and the County shall have the obligations and rights respecting such casualty damage provided under such Article.

Further, County shall not, without the prior written consent of Landlord:

- (i) make, or permit to be made, any use of the Leased Premises or any portion thereof which emits, or permits the emission of an unreasonable amount of dust, sweepings, dirt, cinders, fumes or odors into the atmosphere, the ground or any body of water, whether natural or artificial (including rivers, streams, lakes, ponds, dams, canals, or flood control channels), or which emits, or permits the emission of dust, sweepings, dirt, cinders, fumes or odors into the atmosphere, the ground or any body of water, whether natural or artificial (including rivers, streams, lakes, ponds, dams, canals, or flood control channels) which is in violation of any federal, state or local law, ordinance, order, rule, regulation, code or any other governmental restriction or requirement;
- (ii) permit any vehicle on the Leased Premises to emit exhaust which is in violation of any federal, state or local law, ordinance, order, rule, regulation, code or any other governmental restriction or requirement;
- (iii) create, or permit to be created, any sound pressure level which will interfere with the quiet enjoyment of any real property adjacent to the Leased Premises, or which will create a nuisance or violate any federal, state or local law, ordinance, order, rule, regulation, code or any other governmental restriction or requirement;
- (iv) transmit, receive, or permit to be transmitted or received any electromagnetic, microwave or other radiation which is harmful or hazardous to any person or property in, on or about the Leased Premises, or anywhere else, or which interferes with the operation of any electrical, electronic, telephonic or other equipment wherever located, whether on the Leased Premises or anywhere else;
- (v) create, or permit to be created, any ground vibration that is discernible outside the Leased Premises; or
- (vi) produce or permit to be produced any intense glare, light or heat except within an enclosed or screened area and then only in such manner that the glare, light or heat shall not be discernible outside the Leased Premises.

ARTICLE XXXIII

ANTI-TERRORISM

To the best of Tenant's knowledge, Tenant is not, and shall not become, a person or entity with whom Landlord is restricted from doing business with under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, Executive Order (including, but not limited to, the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action.

To the best of Landlord's knowledge, Landlord is not, and shall not become, a person or entity with whom Tenant is restricted from doing business with under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons list) or under any statute, Executive Order (including, but not limited to, the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action.

IN WITNESS WHEREOF, Landlord and County have signed and sealed this lease as of the day and year first above written.

WITNESS:

Uma Lindinella

Date: Aug 10, 2010

LANDLORD:

[Signature]

Date: _____

WITNESS:

Julie White

COUNTY:

MONTGOMERY COUNTY, MARYLAND

By: Diane A. Jones
Diane Schwartz Jones, Assistant
Chief Administrative Officer

Date: 7/16/10

Date: 7/16/10

APPROVED AS TO FORM AND
LEGALITY OFFICE OF THE
COUNTY ATTORNEY

RECOMMENDED

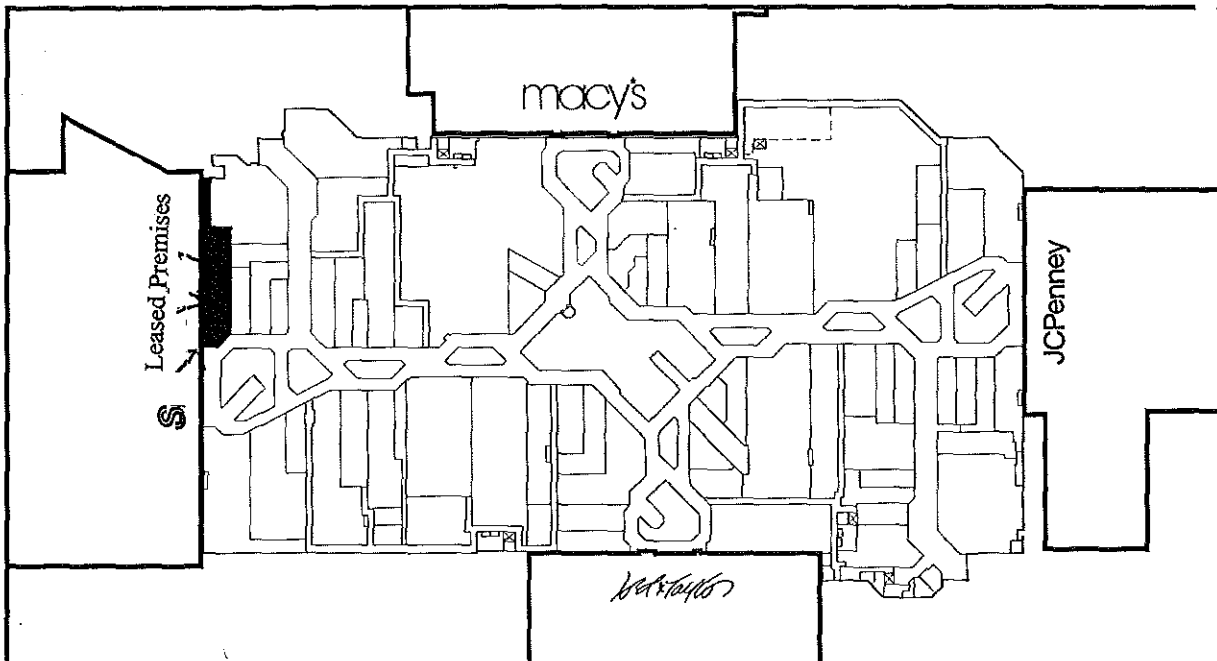
By: [Signature]
Associate County Attorney
Assistant

By: [Signature]
Cynthia Brenneman, Director
Office of Real Estate

Date: 7/15/2010

Date: 7/13/10

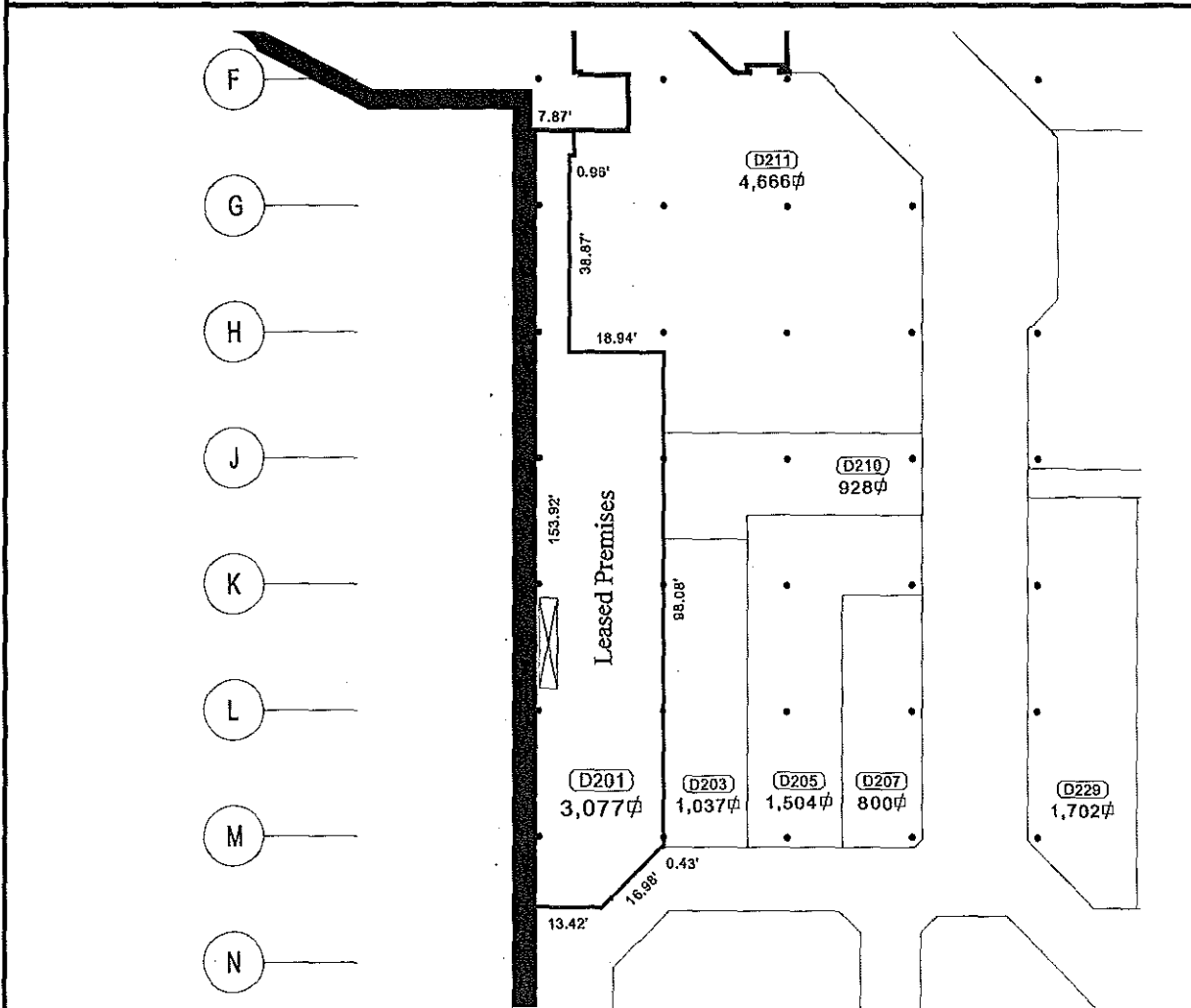
EXHIBIT A
SITE PLAN



LAKEFOREST MALL

TSD# D201
Level: 02

SIMON® SIMON PROPERTY GROUP
225 W. WASHINGTON ST.
INDIANAPOLIS, IN 46204



The information in this document is confidential and a proprietary trade secret of the Landlord and may not be copied, distributed, published or disclosed without prior written permission. Landlord retains the right to design, change, alter or modify (without prior written notice) the size and configuration of any or all of the Center or any of the buildings, premises, hallways, malls, corridors, kiosks, tenant spaces or common areas contained therein, including, but not limited to, the identity, size, configuration, location or arrangement of any of the foregoing. This document does not constitute any contract or obligation by the Landlord. Landlord makes no representations or warranties regarding the Center, any premises contained therein, or the accuracy of the information contained in this document. It is the responsibility of Tenant or Tenant's contractor to field verify existing site conditions and dimensions.

DBA Name:
Unit No. D201

Date: 03/12/10 22:18
Scale: 1" = 30'
Corn. No. 5252

EXHIBIT B
LANDLORD'S WORK

The Leased Premises is provided to County in its current "as is" condition. However, Landlord will deliver the Leased Premises to County with the HVAC system, plumbing and electrical systems in good working order, which may be verified by Landlord after County takes possession of the Leased Premises and has the utility accounts activated in its name. Thereafter, County shall be responsible for the systems as provided for in this Lease.

[REST OF THIS PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT C
COUNTY'S WORK

County, at its sole cost and expense, shall perform and construct, in a good and workmanlike manner, and in accordance with all applicable laws and regulations, all work necessary to prepare the Leased Premises for County's business. Prior to commencing any County's Work County shall provide Landlord with complete and professionally prepared building specific plans and specifications of County's store and County's Work, including façade elevations and details, utility layout plans and all other plans and specifications necessary to enable County to complete construction of County's store. Prior to County commencing County's Work: (i) all plans and specifications must be approved by Landlord, (ii) all contractors and subcontractors which will perform County's Work must be approved by Landlord, and (iii) County must comply with the insurance requirements set forth in Section 13 of the Lease (collectively, the "Work Requirements"). County's Work shall commence upon the satisfaction of the Work Requirements. County shall work diligently and in a timely manner to complete County's Work in accordance with the approved plans and specifications.

[REST OF THIS PAGE INTENTIONALLY LEFT BLANK]

EXHIBIT D
FORM OF TENANT ESTOPPEL CERTIFICATE

Re: Agreement of Lease dated _____ and as amended on _____ ("Lease"), executed by and between _____ ("Landlord"), and Montgomery County Maryland, ("Tenant") for leasing a certain premises containing approximately _____ (_____) square feet located within the _____ Shopping Center, with an address at _____ ("Leased Premises").

Landlord has requested that the County provide Landlord with an Estoppel Certificate as permitted from time to time under the terms of the above-referenced Lease. The County hereby acknowledges the following:

- (1) The Lease and all amendments to the Lease attached as Exhibit "A" is a true, correct, and complete copy of the Lease, as amended; is in full force and effect; and has not been modified, supplemented, or amended in any way other than in writing attached as part of Exhibit A. The Lease as amended in Exhibit A represents the entire agreement between the Landlord and Tenant as to the Premises or any part of the Premises.
- (2) The Lease Term shall commence on the earlier of Tenant's opening for business or sixty (60) days following the delivery date as defined in the Lease. The current term of the Lease will expire on the last day of the third "Lease Year" (as defined in the Lease). The Lease provides for one (1) extension of the Lease for two (2) years.
- (3) The Tenant shall commence the payment of rent under the Lease on the "Rent Commencement Date" (as such term is defined in the Lease). The initial annual net rent payable by the Tenant under the Lease is equal to _____. No rent under the Lease has been or will be paid more than thirty (30) days in advance of its due date.
- (4) The County paid no security deposit under the terms of the Lease.
- (5) The Lease represents the entire agreement between the Tenant and the Landlord with respect to the leasing of the Leased Premises, including, but not limited to, all understandings and agreements relating to the construction or installation of any leasehold improvements by the Landlord, and to the conditions precedent to the occupancy of the Leased Premises by the Tenant.
- (6) As of the date that this Certificate is issued by the County, the County has no knowledge of any default by Landlord other than those specified in Exhibit B, attached. As of the date that this Certificate is issued by the County, the County has no knowledge of any offset, defense, deduction or claim against Landlord other than those listed in Exhibit B, attached.

- (7) The County is not in default under the Lease.
- (8) The County has not assigned the Lease or sublet all or any portion of the Premises, except as listed in Exhibit C, attached. Any sublease or assignment documents are attached as part of Exhibit C.
- (9) Any notices to be sent to the County should be sent in the form required in the Lease to:

Montgomery County, Maryland
Office of Real Estate
101 Monroe Street, 9th Floor
Rockville, MD 20850

With a copy that does not constitute notice to:

Office of the County Attorney
101 Monroe Street, 3rd Floor
Rockville, MD 20850
Attn: County Attorney

- (10) The undersigned is duly authorized to execute this Certificate.

TENANT:
MONTGOMERY COUNTY, MARYLAND, a
body corporate and politic

By: _____
Diane Schwartz-Jones, Assistant Chief
Administrative Officer

APPROVED AS TO FORM & LEGALITY
OFFICE OF THE COUNTY ATTORNEY

RECOMMENDED:

By: _____

By: _____
Cynthia Brenneman, Director
Office of Real Estate